

December 5, 2011

The Randolph County Board of Commissioners met in regular session at 6:00 p.m. in the 1909 Randolph County Historic Courthouse Meeting Room, 145 Worth Street, Asheboro, NC. Commissioners Holmes, Frye, Haywood, Kemp and Lanier were present. Rev. Jeff Garner, Sawyersville Wesleyan Church, Asheboro, gave the invocation and everyone recited the Pledge of Allegiance.

Public Comment Period

Pursuant to N.C.G.S. § 153A-52.1, Chairman Holmes opened the floor for public comment. No one spoke.

County Employee Service Awards Presentation

Chairman Harold Holmes and Vice Chair Darrell Frye, assisted by Human Resources Director Stacy Griffin, presented County employee service award certificates and a piece of pottery to the following honorees: 15 years of service: Raphael W. Beech, Emergency Services; Janet C. King, Emergency Services; Nancy G. Kirby, Health; Jennifer C. Parks, Soil & Water Conservation District (unable to attend); Tamara L. Richburg, Social Services; Julie P. Trotter, Social Services; David R. Troutman, Social Services; Kevin S. Brady, Sheriff; Judy V. Brown, Sheriff; Joel R. Coe, Sheriff; Bobby E. Garner, Sheriff; Betty A. Goins, Sheriff; Gena S. Harris, Sheriff; Serina G. Hussey, Sheriff; Thomas S. Immel, III, Sheriff; Darren L. Johnson, Sheriff; Tim R. Owenby, Sheriff; Margaret A. Person, Sheriff; Ryan W. Scherer, Sheriff; Stephen D. Trogon, Sheriff; Robin G. Ward, Sheriff; 20 years of service: Timothy M. Rowland, Information Technology; Sherry B. Barbary, Health (unable to attend); James S. Chriscoe, Public Buildings; Karen K. Saffell, Public Buildings; Sandra J. Reid, Sheriff; Traci H. Williams, Sheriff; Kathy C. McGowan, Social Services; Kimberly L. Scruggs, Social Services; 25 years of service: Philip A. Pearman, Public Health (unable to attend); Linda R. Smith, Information Technology; 30 years of service: Thomas M. Wassack, Information Technology; Sherry D. Saunders, Social Services (unable to attend).

Reorganization of the Board

On motion of Haywood, seconded by Lanier, the Board voted unanimously to approve the following appointments: Chairman, Harold Holmes; Vice Chair, Darrell Frye; County Attorney, Ben Morgan; Associate County Attorney, Aimee Scotton; Clerk to the Board, Cheryl Ivey; Deputy Clerk to the Board, Amanda Varner; Representative to the Board of Health, Stan Haywood; Representative to the Social Services Board, Arnold Lanier; Representative to the Consolidated Mental Health Board, Darrell Frye; Representative to the Juvenile Crime Prevention Council, Phil Kemp; Representative to the High Point Transportation Advisory Board, Darrell Frye; Alternate Representative to the High Point Transportation Advisory Board, Stan Haywood; PTRG Delegate, Darrell Frye; Piedmont Triad Partnership, Phil Kemp; Piedmont Authority for Regional Transportation, Darrell Frye; Regional Planning Organization Transportation Advisory Committee, Stan Haywood; Tourism Development Authority Liaison, Phil Kemp.

Approval of Consent Agenda

On motion of Frye, seconded by Kemp, the Board voted unanimously to approve the Consent Agenda, as presented, and as follows:

- *approve minutes of regular meeting of 11/7/11;*

- approve surety bonds for elected and appointed officials: Finance Officer Will Massie (\$500,000); Deputy Finance Officer Suzanne Dale (\$500,000); Tax Collector Debra Hill (\$300,000); Deputy Tax Collectors: Sallie Cheek (\$200,000), Revonda Cox (\$200,000); Deputy Finance Officers for Jail Commissary: Phyllis Calloway (\$10,000), Judy Brown (\$50,000), JoAnn Sapp (\$10,000); Sheriff Maynard Reid (\$25,000), Register of Deeds Krista Lowe (\$50,000);
- designate Board of Commissioners Chair (Chief Elected Official) to the Regional Partnership Local Workforce Development Area Consortium Chief Elected Official Board;
- approve letter of support for Randolph's inclusion within the service area of Foreign-Trade Zone (FTZ) No. 230, such that the Piedmont Triad Partnership may apply to the FTZ Board for authority to serve sites located within Randolph County based on businesses' trade-related needs and that the zone will be made available on a uniform basis to companies within this county, in a manner consistent with the legal requirement that each FTZ be operated as a public utility;
- approve Budget Amendment #16 for Aging Services (Additional HCCBG Funds for In-Home Assistant Respite services and RCATS transportation program) & Form DOA-731, as follows:

2011-2012 Budget Ordinance General Fund—Budget Amendment #16		
<i>Revenues</i>	<i>Increase</i>	<i>Decrease</i>
<i>Restricted Intergovernmental</i>	\$24,674	
<i>Appropriations</i>	<i>Increase</i>	<i>Decrease</i>
<i>Other Human Service Appropriations</i>	\$24,674	

- approve Budget Amendment #17 for Public Health (additional funding from CDIS/Cancer Prevention & Control Branch for screenings for income-categorically-eligible women for early detection of breast cancer), as follows:

2011-2012 Budget Ordinance General Fund—Budget Amendment #17		
<i>Revenues</i>	<i>Increase</i>	<i>Decrease</i>
<i>Restricted Intergovernmental</i>	\$12,750	
<i>Appropriations</i>	<i>Increase</i>	<i>Decrease</i>
<i>Public Health</i>	\$12,750	

- approve Budget Amendment #18 for Juvenile Day Reporting Center (additional funding from NC Dept. of Juvenile Justice), as follows:

2011-2012 Budget Ordinance General Fund—Budget Amendment #18		
<i>Revenues</i>	<i>Increase</i>	<i>Decrease</i>
<i>Restricted Intergovernmental</i>	\$10,000	
<i>Appropriations</i>	<i>Increase</i>	<i>Decrease</i>
<i>Day Reporting Center</i>	\$10,000	

- approve Budget Amendment #19 for Emergency Services (previously approved 24-hr. Trinity Ambulance and 2 PT Paramedic Positions), as follows:

2011-2012 Budget Ordinance General Fund—Budget Amendment #19		
Revenues	Increase	Decrease
<i>Sales and Services</i>	\$84,134	
Appropriations	Increase	Decrease
<i>Emergency Services</i>	\$84,134	

- *reappoint Christine Caviness to the Adult Care Home Community Advisory Committee;*
- *reappoint Tom White to Asheboro Planning Board as an extra territorial member;*
- *reappoint Eddie Causey, Beverly Nelson & Edith Reddick to Guil-Rand Fire Dept. Commission*

Addition to New Business

Chairman Holmes announced that *Item I. Status Report on MERCE Clinic—MiMi Cooper & Teresa Shackleford* had been added to the New Business agenda.

Approval of Loan to Medical Resource Center for Randolph County (MERCE)

MiMi Cooper, Public Health Director and MERCE board member and Teresa Shackleford, MERCE's new CEO, said that MERCE was established in 1992 as a medical and dental clinic for citizens of Randolph County who could not afford care. It has evolved over the years into a full service primary care medical and dental practice with federally qualified health center (FQHC) status that accepts all patients and forms of insurance. FQHC designation means that MERCE receives an enhanced Medicaid and Medicare reimbursement. For example, a private medical practice might be reimbursed \$50 for a basic service, whereas MERCE would receive \$100. This designation also means that our health center cannot turn anyone away regardless of ability to pay.

Ms. Shackleford said that for a number of reasons, but primarily due to poor management in the past and issues with productivity, billing, collections and marketing, MERCE is experiencing a financial crisis that has resulted in a cash flow deficit, which leaves MERCE with insufficient funds to meet expenses after December 12, 2011. She said that people still see MERCE as a "free clinic," but in actuality, MERCE is a family practice and dental clinic that needs enough paying customers to help offset those who cannot pay. She said that MERCE has never asked the County for funding for operations. However, given the current financial position, she feels compelled to reach out to all sources of possible support. She asked the Commissioners for a loan in the amount of \$215,000.

According to Ms. Shackleford, Randolph Hospital has provided assistance to MERCE in the form of loans and resource development. The Hospital has currently committed to loan MERCE \$150,000. The City of Asheboro is also considering a \$40,000 grant to MERCE. In addition, MERCE currently receives grant funds from United Way. Local physicians, as well as local agencies, have assisted MERCE by donating time and supplies. This important community institution serves nearly 4,500 patients, helping them meet their medical and dental needs.

Ms. Shackleford said that MERCE has enlisted HRSA (Health Resources and Services Agency) and the NC Association of Community Health Centers for assistance in overhauling MERCE's operations plan. In addition, MERCE has sought specific guidance via a study paid for by Randolph Hospital, from Dan Miles, a health care consultant with considerable experience

in FQHC community health. Mr. Miles states in his final report to the MERCE Board that, “The net result of comparing expected revenues and expenses shows an operating deficit that can be erased through increased productivity and improved collection performance, both of which are believed to be within the demonstrable capabilities of MERCE.” Both Ms. Cooper and Ms. Shackleford said that the MERCE Board will be discussing a change of name and a complete rebranding of the organization. They both assured the Commissioners that in a worst-case scenario, MERCE would sell off their \$1.1 million in assets (mostly in the two buildings it owns) in order to repay the County. Ms. Shackleford and Ms. Cooper said that they feel confident that this crisis can be turned around in order to make this medical and dental clinic operate with integrity.

Ms. Shackleford and Ms. Cooper answered questions from the Board, spearheaded primarily by Commissioner Haywood.

After lengthy discussion, on motion of Kemp, seconded by Haywood, the Board voted 4-1, with Frye opposing, to extend a line of credit up to \$215,000 to MERCE, with the terms to be negotiated by MERCE, the County Finance Officer and Associate County Attorney.

Approval of Care Coordination for Children and Pregnancy Care Management (CC4C) Grant Funding, New Position and Budget Amendment

MiMi Cooper, Public Health Director, said that this fiscal year, the NC Medicaid Office made some changes in how it pays for care coordination services. The services previously called Child Care Coordination and Maternity Care Coordination are now titled CC4C (*Care Coordination for Children*) and PCM (*Pregnancy Care Management*). In the past, the services were paid on a fee-for-service reimbursement schedule. Recently, the Medicaid Office changed the payment method to a per-member per-month schedule. Under this payment method, the Health Department will receive more funding than was received under the old method of payment. The Health Department will receive funds in the amount of \$312,480 for the CC4C program, and \$288,582 for the PCM program. Consequently, the number of individuals able to receive these services will increase and the need for support staff will increase. Ms. Cooper requested approval for the funds listed above. She also requested the approval of a new clerical support position to assist the nursing staff in serving children and pregnant women in these new coordination programs.

On motion of Frye, seconded by Kemp, the Board voted unanimously to accept grant funding for the CC4C programs, to approve the requested clerical position for these new programs and to approve Budget Amendment #20, as follows:

2011-12 Budget Ordinance General Fund -- Budget Amendment #20		
Revenues	Increase	Decrease
<i>Restricted intergovernmental</i>	\$ 601,062	
Appropriations	Increase	Decrease
<i>Public Health</i>	\$ 601,062	

Public Hearing on Guil-Rand Fire Service Districts Establishment & Adoption of Resolutions

Aimee Scotton, Associate County Attorney, reminded the Board that at their October meeting, they officially considered moving forward, via resolution, to create county service districts for fire protection mirroring the existing rural fire protection districts for Guil-Rand and Climax. For each district, the Board considered the resident or seasonal population and population density of the proposed district, the appraised value of property subject to taxation in the proposed district, the present tax rates of the County and any cities or special districts in which the proposed district or any portion thereof is located, the ability of the proposed district to sustain the taxes necessary to provide the services planned for the district and the desirability that all districts for fire protection in the County be capped at a tax rate of fifteen (15) cents per one hundred dollar (\$100) valuation. After carefully considering these matters, the Board passed resolutions, respectively, declaring its intent to create the proposed districts, calling for a report to be prepared for each district in accordance with North Carolina General Statutes, and providing that, if the proposed districts are indeed created, their tax rates would be capped at fifteen (15) cents per one hundred dollar (\$100) valuation. These resolutions also set public hearings on the creation of these districts for 6:30 p.m. on December 5, 2011. At this meeting, the Board needs to hold the following public hearings:

- Public Hearing to Consider the Creation of the Guil-Rand County Service District for Fire Protection
- Public Hearing to Consider the Creation of the Climax County Service District for Fire Protection
- At the close of each public hearing, if the Board finds that there is a demonstrable need for providing fire protection services in the proposed district, that it is impossible or impracticable to provide fire protection services on a countywide basis, that it is economically feasible to provide fire protection services in the proposed district without unreasonable or burdensome annual tax levies and that there is a demonstrable demand for fire protection service in the proposed district, then the Board may pass resolutions creating the district. If the resolutions are passed creating the county service districts, it will then be necessary to pass a second resolution for each district, adding emergency medical services as a permitted service in the district. This must be done as two separate resolutions.

At 7:12 p.m., Chairman Holmes opened the public hearing for the proposed Guil-Rand Fire Service District.

Beverly Nelson, Chair of the current Guil-Rand Fire Protection Commission and President of the Archdale-Trinity Chamber of Commerce, spoke in support of the creation of the Guil-Rand Fire Service District, saying that the Fire Commission annually reviews Guil-Rand's budgets. She has seen examples of the fire department cutting expenses wherever possible, and she trusts Chief Cox's budget figures. She is concerned that if a mechanism is not put into place so that Guil-Rand's tax rate can increase, the fire department will suffer and force the insurance ratings down, thereby causing big increases in property owners' insurance rates. She said that the Archdale-Trinity Board passed a resolution in support of the creation of the Guil-Rand Fire Service District.

Bob Cottam, United Furniture Industries Consultant, spoke in support of the creation of the Guil-Rand Fire Service District, saying that United Furniture employs about 460 people in the northern Randolph County area, and the protection of lives and property is very important and needs to be well funded. He said that United Furniture has a good relationship with Guil-Rand Fire Department, adding that the department has always been very supportive and helpful, especially during emergency situations.

Janet Pate, 3901 Hillsdale Park Dr., Sophia, spoke in opposition to the establishment of the Guil-Rand Fire Service District, saying that she opposes a fire tax rate increase. She said that the fire department should be taken over by the City of Archdale and run as a municipal fire department. Citizens are having to make cuts in their own finances. The County should figure out a way to cut tax rates, not increase them. Citizens can't be expected to take care of everything. She added that it was time to become conservative and make cuts.

On motion of Frye, seconded by Kemp, the Board voted unanimously to adopt a resolution creating the Guil-Rand Fire Service District, as follows:

RESOLUTION CREATING GUIL-RAND SERVICE DISTRICT FOR FIRE PROTECTION

WHEREAS, North Carolina General Statute 153A-309.2 allows a county to establish a county service district for fire protection services with a tax rate limitation of fifteen (15) cents per one hundred dollar (\$100) valuation; and

WHEREAS, it has been requested that the Board of County Commissioners create a county service district for fire protection for the Guil-Rand Fire Protection District; and

WHEREAS, the Board has passed a resolution limiting the tax rate of the proposed service district to a maximum of fifteen (15) cents per one hundred dollar (\$100) valuation and has held a public hearing on the matter in accordance with North Carolina General Statutes; and

WHEREAS, the Board has considered the population of the proposed district, the appraised value of property in the proposed district, the present tax rates in effect in the proposed district, the ability of the proposed district to sustain the taxing of the proposed district, the comments made at the public hearing, and other matters that the Board deemed relevant; and

WHEREAS, the Board, having considered such matters, makes the following findings:

1. *There is a demonstrable need for providing fire protection services in the proposed Guil-Rand service district; and*
2. *It is impossible or impracticable to provide fire protection services on a countywide basis; and*
3. *It is economically feasible to provide fire protection services in the proposed Guil-Rand service district without unreasonable or burdensome annual tax levies; and*
4. *There is a demonstrable demand for fire protection services in the proposed Guil-Rand service district.*

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby creates a county service district for fire protection in the Guil-Rand area effective July 1, 2012, with boundaries as shown on the map included as Attachment A to this Resolution and containing the exact same properties currently included in the Guil-Rand Rural Fire Protection Tax District.

BE IT FURTHER RESOLVED that property taxes for fire protection within said county service district may not be levied in excess of a rate of fifteen (15) cents on each one hundred dollars (\$100) of property subject to taxation.

This the 5th day of December, 2011.

On motion of Frye, seconded by Kemp, the Board voted unanimously to approve a resolution permitting emergency medical, rescue and ambulance services to be provided in the Guil-Rand Fire Service District, as follows:

RESOLUTION PERMITTING EMERGENCY MEDICAL, RESCUE AND AMBULANCE SERVICES TO BE PROVIDED IN THE GUIL-RAND SERVICE DISTRICT FOR FIRE PROTECTION

WHEREAS, the Randolph County Board of Commissioners, pursuant to North Carolina General Statute 153A-309.2, has established a county service district for fire protections services with a tax rate limitation of fifteen (15) cents per one hundred dollar (\$100) valuation in the Guil-Rand area; and

WHEREAS, it has been requested that the Randolph County Board of County Commissioners authorize the provision of emergency medical, rescue and ambulance services in said district and that property taxes may be levied for such purposes; and

WHEREAS, North Carolina General Statute 153A-309 allows a board of county commissioners to permit, by resolution, the service district to provide emergency medical, rescue and ambulance services and to provide that property taxes are levied for such purposes.

NOW, THEREFORE, BE IT RESOLVED, that the Randolph County Board of Commissioners does hereby authorize the provision of emergency medical, rescue and ambulance services in the Guil-Rand Service District for Fire Protection and does hereby resolve that property taxes may be levied for these purposes, provided however, that the rate limitation of fifteen (15) cents per one hundred dollar (\$100) valuation continues to apply.

This the 5th day of December, 2011.

Public Hearing on Climax Fire Service Districts Establishment & Adoption of Resolutions

At 7:30 p.m., Chairman Holmes opened the public hearing for the proposed Climax Fire Service District.

Steed Griffin, 8877 Racine Rd., Pleasant Garden, said that he was on the Climax Fire Department Board of Directors. He relayed a personal experience with his own property insurance whereby the insurance bill came showing a significant increase. After investigation, most of the increase was due to an underwriting error that claimed the fire department's insurance rating had been downgraded. He said that the fire department worked really hard to get their current rating of 9.

Buddy Reddick, Climax Fire Department Board Chair, said that he was the department's first fire chief. He said that Climax has gone from nothing to what it is today; it has great firemen, who are all EMTs. He asked the Commissioners to level the playing field so that all the fire departments in the county are capped at 15 cents.

On motion of Haywood, seconded by Frye, the Board voted unanimously to adopt a resolution creating the Climax Fire Service District, as follows:

RESOLUTION CREATING CLIMAX SERVICE DISTRICT FOR FIRE PROTECTION

WHEREAS, North Carolina General Statute 153A-309.2 allows a county to establish a county service district for fire protection services with a tax rate limitation of fifteen (15) cents per one hundred dollar (\$100) valuation; and

WHEREAS, it has been requested that the Board of County Commissioners create a county service district for fire protection for the Climax Fire Protection District; and

WHEREAS, the Board has passed a resolution limiting the tax rate of the proposed service district to a maximum of fifteen (15) cents per one hundred dollar (\$100) valuation and has held a public hearing on the matter in accordance with North Carolina General Statutes; and

WHEREAS, the Board has considered the population of the proposed district, the appraised value of property in the proposed district, the present tax rates in effect in the proposed district, the ability of the proposed district to sustain the taxing of the proposed district, the comments made at the public hearing, and other matters that the Board deemed relevant; and

WHEREAS, the Board, having considered such matters, makes the following findings:

- 1. There is a demonstrable need for providing fire protection services in the proposed Climax service district; and*
- 2. It is impossible or impracticable to provide fire protection services on a countywide basis; and*
- 3. It is economically feasible to provide fire protection services in the proposed Climax service district without unreasonable or burdensome annual tax levies; and*
- 4. There is a demonstrable demand for fire protection services in the proposed Climax service district.*

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby creates a county service district for fire protection in the Climax area effective July 1, 2012, with boundaries as shown on the map included as Attachment A to this Resolution and containing the exact same properties currently included in the Climax Rural Fire Protection Tax District.

BE IT FURTHER RESOLVED that property taxes for fire protection within said county service district may not be levied in excess of a rate of fifteen (15) cents on each one hundred dollars (\$100) of property subject to taxation.

This the 5th day of December, 2011.

On motion of Haywood, seconded by Frye, the Board voted unanimously to approve a resolution permitting emergency medical, rescue and ambulance services to be provided in the Climax Fire Service District, as follows:

***RESOLUTION PERMITTING EMERGENCY MEDICAL, RESCUE AND AMBULANCE SERVICES
TO BE PROVIDED IN THE CLIMAX SERVICE DISTRICT FOR FIRE PROTECTION***

WHEREAS, the Randolph County Board of Commissioners, pursuant to North Carolina General Statute 153A-309.2, has established a county service district for fire protections services with a tax rate limitation of fifteen (15) cents per one hundred dollar (\$100) valuation in the Climax area; and

WHEREAS, it has been requested that the Randolph County Board of County Commissioners authorize the provision of emergency medical, rescue and ambulance services in said district and that property taxes may be levied for such purposes; and

WHEREAS, North Carolina General Statute 153A-309 allows a board of county commissioners to permit, by resolution, the service district to provide emergency medical, rescue and ambulance services and to provide that property taxes are levied for such purposes.

NOW, THEREFORE, BE IT RESOLVED, that the Randolph County Board of Commissioners does hereby authorize the provision of emergency medical and rescue services in the Climax Service District for Fire Protection and does hereby resolve that property taxes may be levied for this purpose, provided however, that the rate limitation of fifteen (15) cents per one hundred dollar (\$100) valuation continues to apply.

This the 5th day of December, 2011.

Recess

At 7:40 p.m., the Board took a short recess.

Meeting Resumed

At 7:55 p.m., the meeting resumed.

Proposed Regional Landfill Requests

David Townsend, III, said that the Board of Commissioners approved a contract with Golder Associates for a Phase 1 Cultural Resources evaluation in the spring of this year as part of the permitting process of the proposed regional landfill. Since some arrowheads were found on the site during the evaluation, a Phase II evaluation has been required in order to meet NC DENR permitting requirements. Mr. Townsend said that Golder has provided a proposal for not to exceed \$60,000 to accomplish this requirement, and funds are available in the landfill post-closure fund.

The Commissioners expressed concern that the amount for this second study was too high. They instructed Mr. Townsend to prepare an updated budget on this proposed project. The Commissioners also decided to postpone setting a public information meeting in January.

Contract Award for DSS Roof Repairs

David Townsend, III, Public Works Director, said that the Public Works Department is in the process of completing the Energy Efficiency Conservation Grant to improve the HVAC (Heating, Venting and Air Conditioning) and roof repairs at the Department of Social Services building. He said that the original contractor unfortunately filed bankruptcy before the project was completed. The Public Works Department presented proposals to the Board of Commissioners on November 7, 2011 to complete the work as noted on the punch list provided by our consultants, Milliken Engineering, for the remainder of the HVAC work. In addition, repairs to the original roof needed to be completed. The following proposals were received for the roofing work:

McRae Roofing	\$ 34,655.00
Besecher Inc.	\$ 38,000.00

Mr. Townsend requested that the Board award the contract for roofing repairs at the DSS building to McRae Roofing in the amount of \$34,655 and to authorize the County Manager to sign the contract.

On motion of Frye, seconded by Lanier, the Board voted unanimously to award the contract for roofing repairs at the DSS building to McRae Roofing in the amount of \$34,655 and to authorize the County Manager to sign the contract.

Study Overview & Results of Employee Classification Study

Stacy Griffin, Human Resources Director, said that in September 2010, the Board voted to proceed with the County's first comprehensive classification study since October 1989. The results of that Study were received in late October 2011. Ms. Griffin noted that the Executive Summary, which provides great detail as to how the study was conducted and the methodology used, had been included in each of the Commissioner's agenda book. Ms. Griffin presented highlights of the study:

- 12 local government entities responded to the survey and participated in the study, thus giving us a very solid foundation for our data collection.
- On average, the study found that our current salary range minimums are 6.29% below market, our mid-points are 7.43% below market and our range maximums are 8.18% below market.
- 128 job descriptions were updated and rewritten and fully ADA compliant
- 25 FLSA Exemption status corrections were made, affecting 43 employees
- A recommendation to go to an "open range" compensation plan versus the traditional step/grade program we currently have in place, in order to focus more clearly on performance rather than longevity and to allow for more "flexibility" in pay structure. In this system, the organization defines the midpoint, the maximum and the minimum of the range. Any one employee may be paid anywhere within this defined range. Unlike the step system, the person's wage is not automatically adjusted when the wage structure is adjusted, unless the person falls below the minimum of the range. At this point, the person's performance is reviewed and adjustments are made in relation to that performance. It allows for individual based compensation and does not mandate increases to the 2.5% amount as defined by the current step system. The traditional step system does not provide incentive to "be great," but rather tends to treat all employees the same in terms of compensation.
- 434 employees participated, representing all departments with the exception of the Sheriff's Office, who declined participation.

- Out of the 434 employees in the study, only 134 (31%) fall below the new recommended minimum on the proposed pay grades ranges. Considering that it has been over 21 years since a comprehensive study was completed, this is wonderful news and a testament to the work that the Board of County Commissioners, Human Resources and County Administration have done throughout the years to address compensation issues and needs.

The total *annual* amount needed to move the 134 County employees, plus the current 28 vacant positions to the minimum of the proposed ranges, is \$175,649 (\$73,187 for the remainder of this fiscal year). This averages to about \$1,000 annually per employee that is below the new proposed minimums.

Considering the length of time since the last comprehensive study, the immediate financial impact to the County in order to adopt this new pay plan and move the employees to the minimum of the range is minimal. However, by doing so, it allows Randolph County to implement an updated and market driven pay plan and compensation structure.

Of the 434 employees participating in the study, 99.5% fall between the minimum and midpoint of the proposed ranges, with the average distance from the minimum being 11%. What this means is that the overwhelming majority of employees, regardless of performance or years of service, are clustered around the minimum of the new salary ranges. Thus, as funding permits, the County needs to look at these employees that are clustered around the minimum and make adjustments accordingly (with competence, performance and years in the position as factors to consider). Failure to take this second step as funding permits will certainly create a salary compression issue and most likely create an employee morale issue. Compression will also be created if new employees are hired into the new ranges at the same pay level or at a potentially higher pay level than existing employees with the same level of competence and experience.

Ms. Griffin asked the Board to approve the 2012 Randolph County Pay Plan, as presented, effective immediately, which includes:

- New Open Range Pay Grades for both General Government and Emergency Medical Services
- Updated/Revised job titles
- Updated Randolph County Law Enforcement Classification Plan (no salary information has been changed). Since the Sheriff's Office did not participate in the study, all Sheriff Office positions were simply incorporated in to one pay plan (they currently had some in the County pay plan and the Law Enforcement pay plan) and added the incorporated positions to their step/grade salary sheets.

Upon approval of the 2012 pay plan, Ms. Griffin asked the Board to approve the classification study recommendation to move the 134 current employees (plus 28 vacant positions) to the minimum of the new pay grade effective February 1, 2012, and to approve the necessary budget amendment to effect this change for the remainder of this fiscal year.

Following discussion, the Board decided to table this item until a later meeting.

Approval of Allocation of 3 Part-time Telecommunicator Positions

Donovan Davis, Emergency Services Director, said that staffing the 9-1-1 Center has been difficult to maintain over the past two years due to several vacancies. In 2010, one employee resigned because she had a child, one passed away, one resigned for another position, and another returned to school. In addition, the NC Retirement System imposes an hours-worked limitation of 999 hours or less per year for part-time employees, unless they are enrolled in the NC Retirement System. Emergency Services currently has 15 approved part-time telecommunicator positions for the 9-1-1 service area; however, none of these positions are approved for NC Retirement benefits, thus meaning that their work hours are limited annually to 999 or below. Employees have been hired over the past year to fill the vacancies mentioned above, but due to the required skill level needed in the 9-1-1 Center and the complex responsibilities of the position, most have not been able to complete the required training satisfactorily and thus, have been let go.

Mr. Davis requested approval to change three (current) part-time auxiliary positions to part-time benefitted positions, thus making these positions eligible to work up to 1,508 hours per year, versus the currently capped hours of 999. With approval of this request, the County will contribute to the cost of retirement for three part-time employees at a maximum cost of \$6,218.89 (and that is only if the employees choose to maximize the 401(k) match [Eligibility in the NC Retirement System = automatic eligibility for the NC 401(k) plan]). Mr. Davis said that funds are available in the current Emergency Services budget.

On motion of Frye, seconded by Kemp, the Board voted unanimously to change three current part-time auxiliary Telecommunicator positions to part-time positions by making them eligible for retirement benefits, and thereby making them eligible to work up to 1,508 hours per year.

Regional Update

Vice Chair Frye reported that the Sandhills Mental Health Board would be meeting with Guilford County representatives on Thursday to discuss the proposed merger.

Closed Session—Economic Development [N.C.G.S.143-318.11(a)(4)]

At 9:00 p.m., on motion of Frye, seconded by Haywood, the Board voted unanimously to go into closed session to discuss matters relating to the location or expansion of business in the area, pursuant to N.C.G.S. 143-318.11(a)(4).

Regular Session Resumed

At 9:25 p.m., the Board returned to regular session.

Adjournment

At 9:25 p.m., on motion of Frye, seconded by Haywood, the Board voted unanimously to adjourn.

J. Harold Holmes, Chairman

Darrell L. Frye

Phil Kemp

Arnold Lanier

Stan Haywood

Cheryl A. Ivey, Clerk to the Board